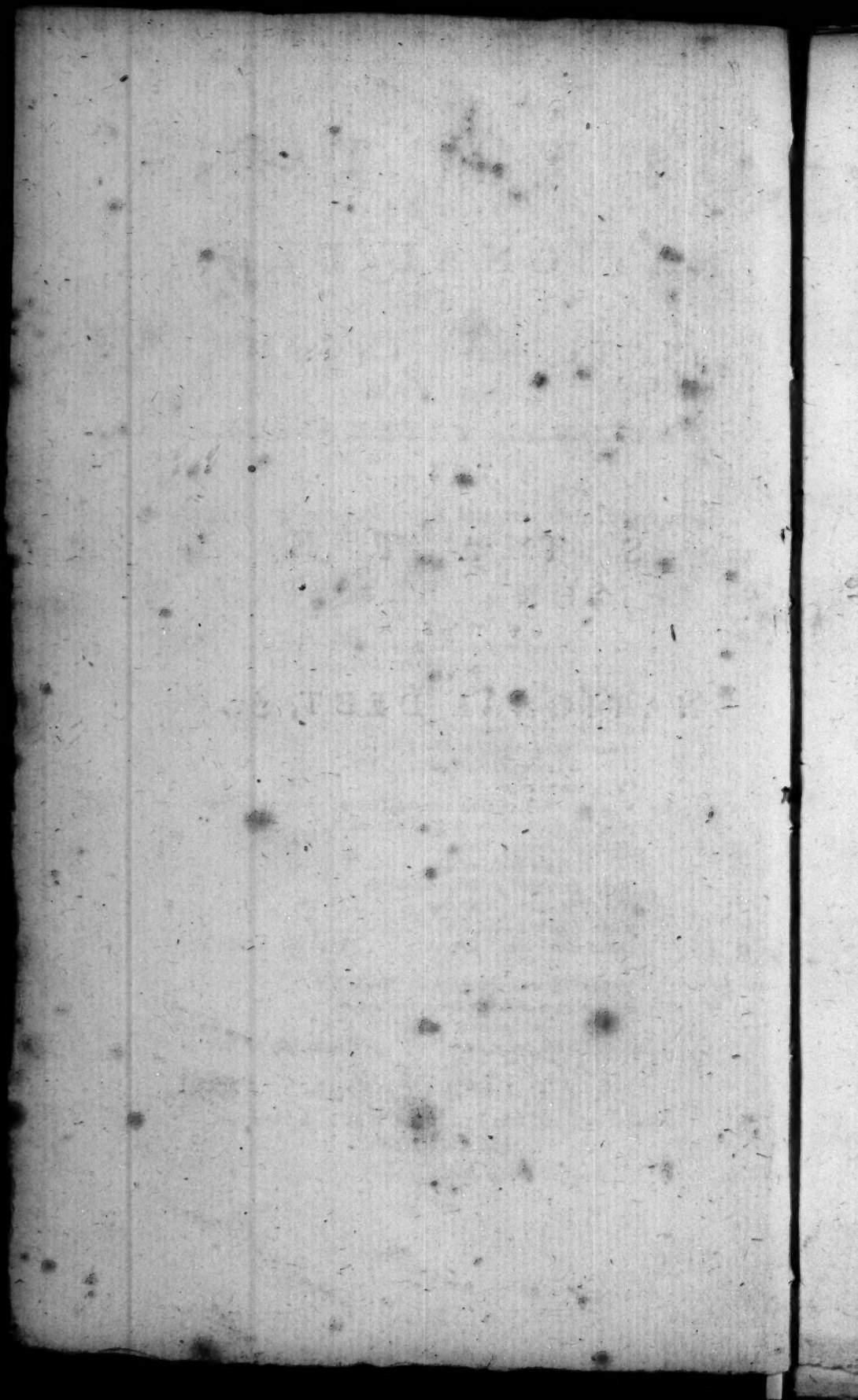


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THE
S T A T E
OF THE
NATIONAL DEBT, &c.

C: 5-2



THE
S T A T E
OF THE
NATIONAL DEBT,
THE
NATIONAL INCOME,
AND THE
NATIONAL EXPENDITURE.

WITH

Some short Inferences and Reflections applicable to the
present dangerous Crisis.

By JOHN EARL of STAIR.

*O Navis! referent in Mare te novi
Fluctus? O! quid agis fortiter occupa
Portum. Nonne vides, ut
Nudum Remigio Latus
Et malus celeri saucius Africo,
Antennaeque gemunt, ac sine Funibus
Vix durare Carina
Possint imperiosius
Æquor? Non tibi sunt integra Lintea.
Non Di, quos iterum pressa Voces malo.
Quamvis Pontica Pinus
Silva Filia nobilis,
Jactes & Genus & Nomen inutile.
Nil pictis navita Puppibus
Fiait. Tu nisi Ventis
Debes Ludibrium. Cave.*

HOR. lib. i. ode 14.

*Justum, & tenacem propositi virum
Non civium ardor prava jubentium,
Non vultus instantis tyranni
Mente quatit solida.*

HOR. lib. iii. ode 3.

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S T A T E
OF THE
NATIONAL DEBT,
THE
NATIONAL INCOME,
AND THE
NATIONAL EXPENDITURE.

THE Funded Debt at the Conclusion of the War, including 7,299,375 Value of Long and Life Annuities given as Premiums, and the 1,000,000 borrowed on the Sixpence in the Pound Civil List Duty, likewise including the 6,983,553 funded in 1763, amounted to — — £. 138,402,601

The Unfunded Debt (an equitable Allowance being made for the Excess of the Extraordinaries in the two first Years of the Peace, beyond the Average of the following Years, which Allowance amounting to 2,000,000 to a Trifle) being carried to the Debt of the War, amounted to — — 8,000,000

Total Debt at the Conclusion of the War 146,402,601

The Funded Debt at *Christmas* 1773,
including as above, was 134,299,375

The Unfunded Debt, Exchequer Bills
1,000,000, Ditto lent to the *East India Company* 1,400,000, Navy Debt
1,886,760, supposed Debt of the Civil
List 800,000, in all — 5,049,371

139,348,746

Debt at the Conclusion of the War
was — — — 146,402,601
Debt at *Christmas* 1773 was 139,348,746

Paid off therefore was — 7,053,855

To the Discharge of which have been
applied the following extraneous and ad-
ventitious Sums, which, as they arose
mostly out of the War, ought to have
been in a great Part deducted from the
Debt incurred by the War.

Produce of *French Prizes* £. 815,500
Army Savings — 964,755
Balance of Earl *Chatham* and
John Calcraft's Accounts
and Army Savings 216,222
Composition for *French Pri-*
soners. — 670,000
Sale of Ceded Islands 70,000
From the *East India Compa-*
ny, after deducting the
1,400,000 lent them on the
Contract for territorial In-
demnification — 800,000

Carried over 3,536,477
Deb. paid carried over — 7,053,855

Debt paid brought over	£. 7,053,855
Brought over	£. 3,536,477
To gained by the Public, which the Company lost, by the Indemnity of One Shil- ling <i>per</i> Pound on Tea	700,000
From the Bank, for the Re- newal of their Charter	110,000
	<hr/>
	4,346,477
To Discount at 10 <i>per Cent.</i> on the 1,500,000 paid in the Year 1772	150,000
	<hr/>
	4,496,477

The Debt therefore paid by the per-
manent Excess of the Incomes of the
State beyond the current Expences
thereof, during Eleven Years of pro-
found Peace, and unequalled Prosperity
of Trade, with the Land Tax at 4 *s.*
during Five Years of the Period, and
during the rest of it at 3*s.* with Lotte-
ries every Year but two, the Profits of
which, though no certain or solid, far
less an eligible, Resource, amounting to
1,200,000 and upwards, included, a-
mounts to no more than

— 2,557,378

Annuity or Interest payable at the Conclusion of the War on Debt funded and un- funded, about	— 4,900,000
Ditto payable at <i>Christmas</i> 1773, about	— 4,600,000
	<hr/>
Charge of Interest lessened	300,000

No State is made for the Years 1774 and 1775; but as the Debt pretended to be paid during those Years (it is apprehended) will be more than balanced by the new Debts contracted and contracting, for which no Provision has been made, it is thought the National Debt will not differ greatly from the Sum it is stated at as above; and, consequently, the Debt discharged will not exceed, even during the Thirteen Years that the Peace has lasted, the Sum it is stated at as afore mentioned. The Equivalent to *Scotland* amounting to 248,550 is not included, nor any Value put upon the 2,000 paid yearly toward the Improvement of the *Scotch* Fisheries and Manufactures, nor on what may remain of the Life Annuities granted in 1745 and 1746, nor on the 50,000 and upwards paid yearly for the Management of the National Debt; but these will in Part be balanced by the Falling-in of the Life Annuities 1757, and the Decrease of the Value of the Long Annuities, by the Time that has intervened since they were granted.

I am well aware, that the National Debt at the Conclusion of the War is stated higher by about 2,000,000 than I state it, in a very capital Performance, entitled, *The Considerations, &c.* (for the Memory, and for the good Intentions towards his Country, of the reputed Author of which no Man has a greater Respect than myself); but surely the Years 1764 and 1765, when he presided over the Administration of the Finances with great Integrity and Ability, cannot be exempted from the Charge of Extraordinaries for Sea and Land, according to the Average Demands on these Accounts in the succeeding Years of the Peace; nor can the Deficiency of Grants and the Deficiency of Funds in these Years ever make any Part of the Debt of the War, being constant Charges in every Peace Establishment, and vary according to the Nature of the Services and the Sagacity of the Apportionment, these amounting to 1,976,003, make the Difference betwixt us.

It has been objected, that the 700,000 gained by the Public on the Tea Indemnity is a fair Excess of the Permanent Incomes of the State, the Company having paid no more than the Average Income of the Duties for Five Years preceding the Contract; and this Reasoning is conclusive, provided the Loss was not (as it is generally believed it was) occasioned by the Duties laid on Tea consumed in *America*, but by the mistaken Notions of the Company as to the Practicability of extending their Tea Trade. The Parties are at Hand to set this Matter in its true Light. The particular Produces of the Duties on Tea not being to be met with in any Place where I can have Access, I can do no more than state the Objection and the Answer. It has likewise been objected, that three of the Lotteries were attended with Annuities; but either in Money, in Alleviation of Interest, or one Way or other, they certainly were beneficial to Government in the Discharge of the Public Debt to the Extent stated and more.

December 5, 1775.

The Debt pretended to be paid in 1774 and 1775 does not exceed the Debt contracted in these Years, for which no Provision was made.

P R O O F.

The Debt paid off in 1774 and in 1775 was 1,000,000 3 *per Cents.* in each Year, at 88 *per Cent.* in both Years 2,000,000, at 88 *per Cent.* make — £. 1,760,000

Debt contracted in 1774 and 1775, for which no Provision was made.

New Exchequer Bills	—	250,000
Ordinance Extraordinaries, beyond what were granted in 1774	—	190,423

As far as can be conjectured from the Scrap of Paper on the Table of the House of Commons, the whole Year 1775 is not near comprehended.

Army Extraordinaries beyond what were granted in 1774	—	582,628
Carried over	—	<u>1,023,051</u>

Brought over	£. 1,023,051
Interest of Unfunded Debt and Lottery	
Expences for two Years at least	200,000
Navy Debt increased, exclusive of the 200,000 granted towards paying it in 1774	801,820
<hr/>	
Total new Debt contracted in 1774 and 1775	2,034,871
Debt paid off in 1774 and 1775	1,760,000
<hr/>	
Debt contracted exceeds Debt paid off	274,871

Which is more than what was undertaken
to be proved.

N. B. This is exclusive of 354,735 taken towards
the Supplies 1775, by Anticipation out of the last
Christmas Quarter of the Sinking Fund, but not charge-
able particularly on 1774 and 1775, as the Abuse be-
gan soon after the Peace.

Notwithstanding these Additions to the Public Debt,
yet the *East India Company* (little used to profit by
her Servants' Crimes) having, as I am told, I believe
with Truth, been very unexpectedly enabled from the
Rapine, not the Trade, of the East, to discharge all, or
at least a great Part, of the Loan of 1,400,000 made to
the Company by the Public, the National Debt at
Christmas 1775 was probably something within the
Limits of One Hundred and Forty Millions. But that
auspicious Epoch is now fled to return no more; each
frantic Hour teems with precious Impossibilities, expen-
sive Chymeras, baseless Incoherencies: Physical Ne-
cessity, the avowed Barrier of our Supremacy, is storm-
ed on every Side, and we are compelled to assert and
believe, that Armies, so slenderly equipt that they
scarce could march in a Body One Hundred Miles

through the Country of a Friend, are in one Campaign to make the Conquest of a great and warlike Empire, where they cannot even arrive much before August. Let our Miseries at least teach us Humility, let human Pride fallen prostrate lick the Dust: What is Man? how little, how abject, must he be in the Eye of Providence, when the Fate of Nations hangs on the Decision of Counsels so wilful and so weak!—O! Guardian Angel of the Land avert thy People's Fate; to thee I lift a Hand guiltless of the Wrongs, and unstained with the Plunder of my Country!

March 20, 1776.

Sums levied on the *British* Subject in the
Year 1774.

To the Creditors of the Public and Charges	—	£. 4,445,856
To Charges on the old Long and Life Annuities not stated in the Exchequer Paper, <i>estimated</i> *	—	8,000
To the Civil List	—	800,000
To the Duchy of <i>Cornwall</i> and <i>Lancaster</i> Fines, Principality of <i>Wales</i> , <i>Scotch</i> Crown Revenues, &c. &c. <i>estimated</i>	—	200,000
To Profits on the Lottery	—	150,000
To Produce of the Sinking Fund	—	2,976,382
To Coinage Duties	—	15,000
Interest and Management on the Equivalent to <i>Scotland</i>	—	10,600
To Improvement of <i>Scotch</i> Fisheries and Manufactures	—	2,000
		<hr/> 8,607,838

* Where the Word *estimated* is added, the Sums stated are from the best (but not absolutely decisive) Authority I can find, or from the most probable Conjectures I can make. As Truth is my Object, I shall be very happy to be set right in these, or wherever I am wrong. I hope I am not (the vast Extent of the Subject considered) very materially so; at least, I dare presume with Confidence, not so materially as to affect the Conclusions that are drawn, and which every Man of common Sense must draw, from the Premises. Absolute Trifles I have not regarded; nor, in Matters of this Kind, are they worth the Trouble that they cost.

Brought over	—	£. 8,607,838
To Expences of Management and Collection on 8,607,838 <i>l. estimated</i> , one with the other, at 10 <i>per Cent.</i> of the neat Produce	—	860,800
To Fees and Perquisites of Office of every Kind, <i>estimated</i>	—	500,000
To Bounties on Importation and Exportation, Whale and White Herring Fisheries, <i>estimated</i>	—	200,000
		<hr/>
		10,168,638
To Land and Malt, Land at 3 <i>s.</i>		2,250,000
		<hr/>
Total levied on the Subject within the Year 1774	—	12,418,638

Enormous as the Sum above mentioned may seem, and far beyond the National Faculties, equal perhaps to almost all our circulating Specie, yet of this whole Sum there is only unappropriated the Land and Malt; which, even with the Land at 4 *s.* Militia Loan, Deficiency, and Expence of collecting, deducted, will scarce produce neat 2,250,000; and the Sinking Fund, which, at a fair Average of Years, cannot be estimated at much more than 2,500,000, notwithstanding the casual Produce in 1774 of near 3,000,000, the unappropriated National Revenue will therefore amount to no more than 4,750,000; the avowed, nay necessary, Peace Establishment, Navy Extraordinaries, called Navy Debt, at a fair Average included, and a very small Allowance being made for unforeseen Contingencies, will amount at least to 4,200,000 *l.* The Balance therefore of the National Income will only be 550,000 *l.* of which, could 200,000 *l.* be allotted to augment the Civil List, there will only remain a Balance of 350,000 *l.* which, even with the precarious Profits of a Lottery thrown in, will scarce be a sufficient Security to borrow Ten

Millions on ; a Sum which the ensuing Campaign may possibly require, if Preparations adequate to the Occasion are or can be made, and Provisions are voted adequate to these Preparations; without amusing the Public with fallacious and defective Estimates; with no Estimates of, nor any Provision for, certain and capital Expences; with Funds taken at the capricious or artful Produce of short Periods, not at the fair Average of Years; with Debts at Three *per Cent.* paid off with one Hand, and contracted at Four with the other; and all the rest of the Charlatanneries of the annual Budget.

December 5, 1775.

The National unappropriated Income does not exceed 4,750,000 *l.* Land Tax being at 4 *s.*

P R O O F.

A 4 <i>s.</i> Land Tax at an Average produces gross	—	—	<i>£.</i> 1,980,888
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D E D U C T I O N S.

Expence of the Militia	—	179,766
Interest on the Loan	—	75,000
Expence of collecting, &c. paid at the Auditor's Office, 8 <i>d.</i> in the Pound to a Trifle; it is 7½ <i>d.</i> certain, besides some casual Deductions	—	66,666

Deductions	—	—	321,432
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Land Tax gross Produce	—	1,980,888
Deductions	—	321,432

Land Tax neat	—	—	1,659,456
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Malt Tax, Deductions at a fair Average amounting to 202,228 *l.* yearly taken out, produces neat

—	547,772
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Total Land and Malt neat	—	2,207,228
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Brought over ——— £. 2,207,228

The Sinking Fund for Eight Years, from the 5th of *April* 1767 to the 5th of *April* 1775, has produced (deducting an Average of 45,000 *l.* yearly, carried from the Supplies to make good the Deficiency of the Funds for 1758) neat 20,051,340 *l.* which is to a Trifle 2,506,400 *l.* yearly

2,506,400

National unappropriated Estate, Land at 4*s.* is only ———

4,713,625

Which is what was to be proved.

Peace Establishment will amount at least to
4,200,000 *l*.

P R O O F.

The Year 1774 is taken as a fair equal Year: If taken for Three Years preceding 1775, when the *American* Troubles began, the Average Expence will be greater; if taken for Seven Years, it will be considerably greater: consequently 1774 is a fair, if not a favourable, Year.

Navy in 1774 amounted to	—	£. 1,904,917
Navy Extraordinaries, called Navy Debt, at a low Average	—	300,000
		<hr/>
		2,204,917
Ordnance, ordinary and extraordinary		271,174
Army	— — —	1,549,720
Miscellaneous	— —	60,252
Unforeseen Contingencies that Year, on Account of the new Coinage, amounted to 250,000 <i>l</i> . but say the yearly Average is		100,000
Expences of the Lottery and Interest of unfunded Debt, about	—	85,000
		<hr/>
Peace Establishment is	—	4,271,063

Which is what was to be proved.

Brought over — £. 4,271,063

If to this is added the Addition we are told, but in this State of Things it is scarce possible to suppose, is to be made to the Civil List of — —

200,000

The Peace Establishment will then be 4,471,063

Unappropriated National Estate, as on page 17. — —

4,713,625

Peace Establishment — —

4,471,063

Balance of unappropriated Estate

242,562

Certainly, even with the precarious Profits of a Lottery thrown in, no sufficient Security to borrow Ten Millions on, which is what was to be proved.

March 20, 1776.

Something may, perhaps, be necessary to reconcile to myself and to the Public my setting my Name to these Papers. Vain Glory cannot be my Object. Investigations of this Kind are Works of Industry, Works of Application, not of Fame. Ambition, daring and headlong as she is, must shrink back from a State of Things like this; and on such Wretchedness Avarice surely can build no Hope. To Faction I never was a Friend. What therefore is meant, is to authenticate, to give Weight (so far as a Name so poor as mine can give Weight) to Calculations, of which the material Part is founded in Truth; and which are of the greatest and of the very first Importance to be thoroughly understood by every Man of Property in these Kingdoms. It is likewise meant to awaken the Public from the fatal Lethargy, and fatal Luxury, that an unreal Mockery of Paper Wealth has plunged them into; whilst Distress and Public Bankruptcy dogg them at the Heels. It is, moreover, hoped, that this State of the National Situation may tend to open the Nation's Eyes to the indispensable Necessity of putting an End to this unnatural Civil War with *America*; a War of an enormous and unknown Expence, and of a Difficulty, not to say Impracticability, in itself, little understood by the shallow Advisers and Conductors of it; without mentioning the armed State, the sure, and decisive Interference, at a proper Time, of Rival foreign Nations; a War, of which the Justice (if even no more was meant than meets the Ear) is very doubtful, the Success unavailing, and next to desperate, and for the Expediency of which, without begging the Question, there is not, cannot be, one Argument or Advocate.

Far, very far from my Thoughts, is any Thing personal against the noble Lord who is at the Head of the Finance Department; he has done what many, I might almost say all his Predecessors have done before him; for each, alas! in his Tide of Power, has too often been the licensed Plunderer, too seldom the careful

Father of the State ; but perhaps the Circumstances, or at least the Corruptions, of the Times, do not admit of a better Regimen.

Justice, moreover, requires the Avowal from me, that in the Debt discharged in 1772, and in the less than Nothings of 1774 and 1775, great Frugality and a rigorous Attention to the Public Interest has been shewn; and indeed, through the Whole of the noble Lord's Conduct, a faint, a feeble, and a doubtful Ray of Feeling for the present, Apprehension for the future, shines; making at least the Darkness of his Colleagues more visible. Something likewise of *English* Candour, *English* Humour, *English* Good-nature, (whilst *England* was good-natured), barren indeed of good Works, breaks forth every now and then; and should the stealing Hand of Time mature these happy Seeds into fair Virtue, into noble Decision, either with soft Compassion, equal Justice, attempered with sweet Humanity, to wipe away the bloody Tear from the Cheek of much-misrepresented *America*, or with generous Disdain, without casting one lingering longing Look behind, to renounce Emoluments, which Honour forbids to taste, my poor honest Praise, stern though I am, and relentless in the Public Cause, shall freely flow, and applauding indulgent *Britain* shall, in the Future, perhaps forget the Past.

F I N I S.

